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MEMORANDUM

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2015 SEP 25 A 9:31

TO: Docket Control

FROM: Thomas M. Broderick
Director
Utilities DivisionSEP 25 2015
11:01 AM
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DATE: September 25, 2015

RE: STAFF'S RESPONSE TO THE COMMENTS OF CEDAR GROVE WATER, INC. TO THE STAFF REPORT REGARDING A RATE APPLICATION REQUEST (DOCKET NO. W-20541A-15-0119)

On August 31, 2015, a Procedural Order was issued by the Hearing Division of the Arizona Corporation Commission ordering Cedar Grove Water, Inc. ("Cedar Grove" or "Company") to file on or before September 11, 2015, a response to the Staff Report. Staff was ordered to file on or before September 25, 2015 a response to any comments/disagreements filed by the Company regarding Staff's recommendations in the Staff Report.

On September 15, 2015, the Company docketed comments to the recommendations in the Staff Report. On September 18, 2015 the Company owner emailed Staff Engineer and expressed concern that the inexpensive option Staff suggested cannot guarantee that the option is available to control the ingress and egress of water at the 300,000 gallon storage tank. However, the Company is willing to continue researching Staff's and other options to counter water loss at the manually filled water storage tank.

Based on discussions with the Company, Staff now recommends that the Company be given an extra three months for research and implementation of water shutoff means on the manually filled storage tank

STAFF CONCLUSIONS AND RECOMMENDATIONS

Staff recommends that the Company file with Docket Control, as a compliance item in this docket within 180 days of the effective date of a decision in this proceeding, documentation demonstrating that the Company installed water shutoff means on the manually filled storage tank to eliminate water loss due to overflow.

TMB:MJR:nr\ML

Originator: Frank M. Smaila

RTU

Service List for: Cedar Grove Water, Inc.
Docket Nos. W-020541A-15-0119

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